

## David J. Keefe

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October 20, 2006

The Honorable Michael J. Copps
The Honorable Jonathan S. Adelstein
Commissioners
Federal Communications Commission
445 12<sup>th</sup> Street, NW
Washington, DC 20554

Re: Application for Consent to Transfer of Control Filed By AT&T Inc. and BellSouth Corporation WC Docket No. 06-74

Dear Commissioners Copps and Adelstein:

I am writing to thank you for your leadership at the Federal Communications Commission and for your efforts to ensure a full and fair public process with respect to the Commission's review of the pending application for transfer of control filed by AT&T and BellSouth.

Atlantic Broadband is a relatively small cable company serving approximately 260,000 customers in the United States, including approximately 85,000 customers in Southern Florida communities where BellSouth is the incumbent LEC. Despite the substantial differences in size and resources, we compete vigorously and successfully against BellSouth. We are successful in this market because we continually upgrade and improve our suite of broadband products, which now includes video, residential Internet with speeds up to 5 mbps, video on demand, Hi Def video services and, most recently, VoIP phone service. We win customers, including multiple dwelling units, in this fiercely competitive market because we offer better products and value than the competition.

BellSouth, by contrast, uses its power in the phone market to force broadband services on customers. We have witnessed first hand the anticompetitive tactics BellSouth uses to intimidate customers who choose Atlantic Broadband as their video and Internet provider. The attached letter is an example of Bellsouth's heavy handed threat to withhold basic telephone service from an Atlantic Broadband customer who chose us for television and high speed Internet service. We anticipate that the new and even larger AT&T will disregard fair play in the market to an even greater degree.

We rely on our federal regulators to provide an open and fair review of major transactions affecting our industry. We commend you for taking a stand and insisting

that the Commission open to public scrutiny the eleventh hour deal proposed by AT&T. As you review this proposed transaction, we request that you as a condition of your approval that the new company not tie the provision of telephone service to the purchase of other services.

Sincerely,

Chief Executive Officer dkeefe@atlanticbb.com



BellSouth Telecommunications, Inc. 600 N.W. 79 Avenue Room 336 Miami, FL 33126 305 260 8250 Fax 305 262 4978

June 6, 2006

## VIA FACSIMILE AND U.S. MAIL

[Name and Address]

Re: [Building Location]

Dear [Name]:

We understand that [Building] is a condominium development under construction by [Company] at the above address. We also understand that the development will include [#] units and that first residents are anticipated in the third quarter of 2006.

In late April 2006, you informed us that [Company] and/or the condominium association has entered into arrangements with [Cable Company] for the provision of service to residents at [Building]. BellSouth was informed that the agreement with [Cable Company] is a "bulk" agreement for data and video service. As we understand it, under the bulk agreement, the developer or the condominium association contracts with [Cable Company] for the services, and the developer or association will pay [Cable Company] for the services and then collect payment for the services from residents through fees. So, all residents will receive these services from [Cable Company].

We were surprised to receive this information, as, in our many communications about this development since 2004, [Company] never provided information about anticipated or signed agreements with other communications providers to BellSouth. As this information may have affected BellSouth's provisioning plans, BellSouth believes that non-provision of the information during those conversations materially misrepresented the circumstances.

Nevertheless, in light of the provisioning work BellSouth has done for [Building] and the quickly approaching first move-in dates for residents, BellSouth will pursue plans to provide voice service to the condominium. However, BellSouth reserves all of its rights related to the failure of developer representatives to disclose to BellSouth in advance of such work that such agreements were or would be entered into. Also, for future developments, please be aware that the presence of these types of arrangements with alternate communications providers or infrastructure providers may affect BellSouth's provision of service to the developments. [Company] must provide information about such arrangements early-on, during advance conversations with BellSouth regarding provisioning, and, in considering whether to enter into such arrangements, should consider that they may affect provisioning by BellSouth. If you have any questions, please let me know.

Yours truly,

Frank M. Valdez

**Building Industry Consultant**